

WBS ELEMENTS FOR Assets Under Construction

To meet federal and State guidelines for tracking assets under construction (AUC), the Work Breakdown Structure (WBS) accounting system in the State Accounting System (SAS) must be used by all agencies. This system is designed to track revenues and expenditures for capital expenditures by the State. A WBS project is master data that includes a field for business area and functional area. WBS elements are utilized to track revenues and expenditures within the project. Revenues and expenditures are charged at the WBS element level, not directly to the project; therefore, each project must contain at least one WBS element. WBS elements have a funds management assignment. Funds managements can have multiple WBS elements, however, WBS elements cannot have multiple funds management assignments.

Detailed instructions regarding how to set up, change, post and close WBS projects can be found on the SAS home page at:

<http://www.aasis.state.ar.us/training/courseware/cwarePRJACT.htm>.

The following is a short overview of WBS project accounting for AUC:

- To set up a AUC (transaction CJ01 in SAS), a project definition has to be established. The definition is C (for construction), followed by the agency business area (4 digits) and instructions (found in the drop down tab for control data).
- Within the screens to set-up a WBS element is a screen which allows the set up of elements to collect revenues and expenditures for AUC. The agency assigns these numbers, however, the first letter and agency number must remain the same. SAS will not allow a WBS element number to be duplicated. The agency should establish a unique numbering system for WBS elements. Once these numbers are in place, they can be used to collect AUC information on invoices, purchase orders, journal entries and revenue deposits.
- The WBS project for AUC reporting purposes is non-statistical in nature, which means the costs are collected in the WBS elements and actually recorded to the financial modules. The AUC WBS element has a settlement rule containing the AUC number and other required components (this number is in the drop down box mentioned above).
- After entering and releasing a WBS project, a project plan (budget) must be entered for AUC's. All budget relevant transactions must go through budget availability check in funds management.
- Transaction that have successfully completed the budget availability check and meet the payment program requirements go through a cash edit validation prior to becoming a part of the file sent to the State Auditor for warrant creation.
- Transaction CJ02 will settle (close) the AUC after all funds have been received and disbursed (net zero). This report (Transaction CJ02) will allow changing the

status for things that may come up after settlement of the AUC, i.e. close, technically close, etc.

It is important to remember that the WBS project for AUC's is non-statistical (drives the recording to accounting systems). The SAS courseware (search for WBS projects) has a PowerPoint presentation for every step discussed above. For more information consult the SAS Web page ([Hyperlink on previous page](#)) or your Department of Finance and Administration agency liaison.

